



Department of Defense

Enterprise Transition Plan



Excerpts from Volume I



September 30, 2005



Excerpts from Volume 1

The Need for Defense Business Transformation

“We cannot run the military of the future with an organization that is anchored to the past. To meet threats and challenges of the 21st century, the Department of Defense must be as agile, flexible, and adaptable as the forces it fields in battle around the world.”

Secretary of Defense Donald Rumsfeld
September 10, 2001

Warfare in the 21st century is very different from the conflicts for which the U.S. military has been trained, equipped, and organized over the past 50 years. During the Cold War, national security processes and policies were oriented toward defeating large, powerful nation states with massive armies and weapons systems. Then, threats moved slowly and predictably. Today, our enemies may be characterized by small, stateless networks of nimble organizations, as well as traditional threats.

To defend against this broad range of threats requires an agile joint force dominant across the full spectrum of military operations—during peace and war. Such a highly flexible and adaptable fighting force requires an equally flexible, high-performance and responsive business and financial support infrastructure, capable of adapting to ever-changing conditions.

The objective of the Department’s Business Mission Area (BMA) is to ensure that the right capabilities, resources and materiel are rapidly delivered to our warfighters: What they need, where they need it, when they need it, anywhere in the world. In order to cost-effectively and prudently meet these requirements, DoD’s current business and financial management infrastructure—processes, systems, and data standards—are being transformed. DoD’s business transformation is focused on providing end-to-end integration of operations in support of missions in times of peace and war. From a financial accountability standpoint, transformation will provide accurate, reliable, and timely financial information, affirmed by clean financial audit opinions.

Defense business transformation is being driven by a series of strategic imperatives, each of which illustrates a different aspect of the overall transformation challenge. These imperatives, which are described below, help shape our priorities and serve as checkpoints around which to assess the efficacy of our transformation efforts.

Support the Joint Warfighting Capability

In this new era, DoD's business enterprise must be closer to its warfighting customers than ever before. Joint military requirements drive the need for greater commonality and integration of business and financial operations. Changes in operations place increased pressure on the business infrastructure to provide mission-driven, adaptive, and agile services and information. The customer relies more on responsiveness and agility and less on mass.



“We are building a culture of continual transformation so that our armed forces are always several steps ahead...”

Donald Rumsfeld
U.S. Secretary of Defense

Because warfighters are engaged on a broader scale than ever before, the Department's business infrastructure must be compatible with the global, networked military it supports. To meet challenges, the Department is applying innovations and best practices from leading companies as well as from our joint forces who rely less on mass and more on responsiveness and agility.

Provide Better Information for Strategic Decisions

To make sound and timely decisions, senior DoD leadership needs better insight into the Department-wide business operations; improved knowledge of the supply chain operations; centrally available, secure, integrated data about military and civilian personnel and their locations, assignments, compensation, and duty status; and timely budgeting, accounting, and financial information. Efforts to achieve the required level of information visibility were previously hindered by the Department's legacy business application environment. As a result, information could not readily flow to decision makers and to the warfighting community.

Access to actionable management information will provide DoD leadership with opportunities to make sound decisions that impact the Department's human resource capabilities and requirements; the condition, status and location of assets supporting warfighters; and how DoD is investing funds to best enable the warfighting mission. A key enabler to providing access to actionable management information is the continued migration to a networked information (net-centric) environment. By leveraging digital networks, DoD will have the capability to distribute information currently locked in isolated applications, enabling visibility across end-to-end processes.

Reduce the Cost of Business Operations

Defense business operations are being streamlined to more effectively deliver warfighting capabilities, address growing pressures on resources, and benefit from economies of scale. Currently, approximately half of DoD's resources go to infrastructure and overhead. Costly and outdated systems, procedures, and programs stifle innovation. The nation's defense dollars must be better applied to mission effectiveness and sustaining long-term force posture.

The need for timely, reliable, and accurate financial information to drive a “cost-conscious” decision-making process has never been more critical. Part of defense business transformation entails cultivating the awareness that effective financial management is complementary to delivering joint warfighting capability. At the executive level, decision makers must know the financial status Department in order to finance current and future requirements. At the field



level, commanders must rely on combat comptrollers to ensure that the complex and mobile system of budgeting, funds control, and financial reporting is adequate to effectively sustain operations.

Improve Stewardship to the American People

The Department recognizes its responsibility to the American people to carefully manage financial and human resources. DoD's financial statements are tools to help manage operational performance and demonstrate accountability to the American people. Improving business processes across the Department will yield verifiable financial information, facilitating easier compliance with federal accountability laws and regulations.

Every business transaction initiates a financial event (ordering aircraft engine parts, retrograding used supplies and equipment, processing deployment orders, procuring supplies, etc.) that is captured by standard business processes. Streamlined and integrated processes enable better end-to-end traceability. Better traceability and data integrity provides financial transparency, improving DoD's ability to audit its financial statements.

Strategic Principles to Guide Transformation: Align for Success

The current business transformation initiative has undergone significant changes over the past four years and is maturing to meet institutional and cultural challenges. The Services, Defense Agencies, and Combatant Commands (COCOMs) share a sense of urgency toward transforming the Department's business functions to achieve more responsive and predictable outcomes at the "point of the spear."

The Department is entering the implementation phase of business transformation, building a bridge between what "is" and what is "to be." The Business Enterprise Architecture (BEA) and the Enterprise Transition Plan (ETP), along with well documented business processes and systems, common data standards, and in-depth analyses of the Department's infrastructure are the catalysts that will drive change.

The critical success factors for achieving business transformation within the defense environment differ little from those of any large-scale business operation: senior leadership engagement and commitment; strong alignment between the transformation objectives and the core business mission; a business process-oriented focus; and clarity around goals, authority, accountability, and success measures.

Changing the culture of the Department starts with the Secretary (SECDEF) and Deputy Secretary of Defense (DEPSECDEF), but leaders at all levels are responsible for changing the way DoD does business. Transformation requires direction and focus from senior leaders within the Office of the Secretary of Defense (OSD) and at the Component level to realize transformation objectives. The DEPSECDEF through the Defense Business Systems Management Committee (DBSMC) is demonstrating and encouraging systemic, enterprise-wide improvement.

Business transformation requires focused activities to change policies, train people, shift attitudes, align performance with rewards and recognition, hold people accountable, and develop leaders who are focused on transformation rather than maintaining the status quo.



The Department requires a culture that embraces change. Both the military and the civilian workforce must become more agile, responsive, and lean. We must foster high-performance individuals and organizations that are:

- Quick and responsive;
- Attracting and retaining the best qualified employees; and,
- Rewarding high performers.



A Unifying Framework – Core Business Mission Alignment to Warfighting Capability

To support a DoD-wide process of identifying joint needs, analyzing capability gaps, and implementing improvements, the Business Mission Area has been conceptually realigned to a unifying framework focused on the warfighting mission. This new unifying framework is a capabilities-based approach to enterprise business planning, resourcing, and execution, which consists of five Core Business Missions (CBMs):

Human Resources Management: The Human Resources Management CBM is responsible for all Human Resources-related processes necessary to acquire, train, and prepare personnel to populate warfighter and support organizations. This includes providing trained, healthy, and ready personnel to combatant and combat support organizations and ensuring timely and accurate access to applicable compensation and benefits for all DoD personnel.

Weapon System Lifecycle Management: The Weapon System Lifecycle Management CBM is responsible for full lifecycle management, of Defense acquisition of weapon systems and automated information systems to include requirements, technology, development, production, and sustainment.

Real Property & Installations Lifecycle Management: The Real Property & Installations Lifecycle Management CBM provides installations and facilities to house military forces, store and maintain military equipment and to serve as training and deployment platforms for dispatch of warfighter units. This CBM also provides accountability for real property assets and resources, and supports environmental stewardship of assets.

Materiel Supply & Service Management: The Materiel Supply & Service Management CBM manages supply chains for the provision of materiel supply and services to maintain the readiness of non-deployed and deployed warfighters to support operations at required operations tempo (OPTEMPO) levels. This includes all aspects associated with acquiring, storing, and transporting all classes of supply.

Financial Management: The Financial Management CBM is responsible for providing accurate and reliable financial information in support of the Planning, Programming, Budgeting, and Execution (PPBE) process to ensure adequate financial resources for warfighting mission requirements. It provides accurate financial information to reliably cost the conduct, output, and performance of DoD's operations and missions and the programs that support them.



Figure 1-1: Core Business Missions



The five Core Business Missions integrate horizontally across all functional areas (e.g., planning, budgeting, IT, procurement, maintenance, etc.) to provide end-to-end support. The Department's business transformation effort integrates functional areas to ensure that their processes, systems, and operations work in coordination with one another. The BMA framework presents appropriate operational categories which establish defense business transformation priorities, facilitates reduction of redundant systems and platforms, and organizes the evaluation of investment decisions.

In addition, this framework provides an organizing construct for the Services, Defense Agencies, and COCOMs to insert the warfighting perspective in the development of integrated transformation Business Capabilities and eliminates stove piped planning, programming, and execution.

Each CBM support organization is led by the appropriate Under Secretary of Defense (USD) (i.e., Principal Staff Assistants, or PSAs). As CBM "owners" within OSD, the PSAs will ensure the alignment of transformation investments to end-to-end operational support improvements. Flag-level, uniformed representation on each CBM support organization leadership team ensures that Service perspectives are considered during all CBM decision-making.

End-to-End Business Process Improvement

A major barrier to information visibility has been the tendency for Components to build detailed systems around a piece of the solution. Although this approach may have resulted in optimizing sub-processes, it resulted in sub-optimizing the business. For example, logistics for defense supply distribution engages four distinct "stovepiped" operations: Defense Logistics Agency (DLA) owns and operates the supply management system, the military Services own and operate the depot system, and the United States Transportation Command (USTRANSCOM) manages defense transportation, and the geographic COCOM owns the theater distribution system. Each operation is managed independently by the Components. These stovepipes and independent management results in gaps, which hinder the visibility needed to ensure rapid and synchronized flow of materiel and information.



DoD recognizes this inefficiency, and today, these organizations are working hard on integrated process solutions encompassing the entire supply chain. Tomorrow, the CBMs will enable the Department to integrate these processes with a cross-Departmental perspective.

Proper Alignment of Authority and Accountability

The Department's business transformation efforts rely on organizational strengths of the individual Services and Defense Agencies. The Department recognizes that, while the Secretary of Defense sets the tone, each Component has its own way of doing business. Components are responsible not only for executing individually assigned missions, but ensuring joint operations run smoothly, and information flows freely across the enterprise so DoD can function as a cohesive whole.

Major corporations have headquarters organizations that set standards for their business units. Among these standards is a common business data framework that allows corporations to interoperate and present a common face to customers. By harnessing information assets and leveraging networked business services, corporate executives have daily visibility into constantly changing customer business environment, providing for better management.

DoD is taking a similar approach, employing industry best practices to quickly build enterprise-wide functionality. Standards which are established through joint cooperation represent the "rules of engagement" to which all DoD Components must adhere. Thus, the Department is not dictating how to transform, but is ensuring that each Component's transformational program increases the Department's ability to reap benefits of improved information exchange across organizational boundaries.

This type of integration will drive the Department to interoperability and accelerate joint transformation efforts. Operationally, the Department is implementing this approach by:

- Dividing the planning and management of strategic systems and initiatives, as appropriate, between DoD-level and Component-level enterprises;
- Establishing common capabilities, clear data standards, and Enterprise-wide systems; and,
- Establishing a tiered process for control and accountability over IT investments for both DoD-level and Component-level business systems modernization.

Component internal business transformation efforts are a critical part of DoD's overall effort. The Services and the Defense Agencies are pursuing their modernization plans to share data, eliminate duplicative or isolated business systems, and provide a "single point of presence" for users to get information. Component priorities are reflected in the individual Component business transformation plans (see Chapters 5-11 of the ETP).

The Integrated Transformation Story

Through the integration of the DoD Business Enterprise Priorities and Component transformation plans, the Department has established a coherent picture of its planned transformation milestones as depicted in Figure ES-1.



Figure ES-1: Integrated Business Transformation Story



The true measure of DoD's success at achieving these milestones will be whether our military personnel are paid consistently and accurately, cycle times in our supply chain are reduced, the right materiel is delivered on time to the battlefield, and key DoD decision makers are provided with visibility of all assets, materiel, and personnel to make better decisions. Success will not be determined by how many business systems are eliminated. Systems reductions are a by-product of successful business transformation.

Business Enterprise Priorities

Defense business transformation is occurring now—throughout DoD and within each Component, spanning every aspect of operations. At the Departmental level, DoD has identified and focused its transformation efforts on the following six strategic Business Enterprise Priorities (BEPs) that will enable the Department to better answer basis questions about its people, assets, suppliers, and investments:

- Personnel Visibility
- Acquisition Visibility
- Common Supplier Engagement
- Materiel Visibility
- Real Property Accountability
- Financial Visibility

These BEPs represent those areas where increased focus will bring the most dramatic change and the most immediate positive impact on the CBMs of the DoD. These priorities will produce enduring improvements to the Department's business infrastructure, benefiting the warfighter through integration of enterprise business processes and enhancing interoperability, while continuously improving financial transparency and reducing system redundancy.

The Components support these BEPs by transforming their business practices and systems and complying with business rules and standards identified in each BEP. Additionally, each Component manages its own priorities to improve mission effectiveness and efficiency.

The following sections highlight the plans and business benefits for each BEP.





Personnel Visibility

Personnel Visibility (PV) is real time, reliable information that provides visibility of military service members, civilian employees, military retirees, contractors (in theater), and other personnel, across the full spectrum—during peacetime and war, through mobilization and demobilization, for deployment and redeployment, while assigned in a theater of operation, at home base, and into retirement. This includes ensuring timely and accurate access to compensation and benefits for DoD personnel and their families and ensuring that Combatant Commanders have access to the timely and accurate data on personnel and their skill sets.

PV Objectives:

- Provide access to more reliable and accurate personnel information for warfighter mission planning;
- Decrease operational cost and cycle times, enabled by increased consistency of data, reduced re-work and data calls;
- Improve accuracy, completeness, and timeliness of personnel strength reports;
- Reduce or eliminate duplicative data capture and access activities;
- Ensure accurate and timely access to compensation, quality of life and other benefits for DoD personnel and their families;
- Ensure accurate and timely access to data on personnel and their skill sets for Combatant Commanders;
- Improve occupational safety through analysis of environmental and safety information and related personnel exposures; and,
- Improve military healthcare delivery through a more efficient healthcare claims system, more accurate patient diagnostic coding, and joint medical materiel asset visibility.

PV Benefits: Accurate and timely access to compensation, decreased operational costs, reduced cycle times, and enabled management of DoD human resources in a combined (military, civilian and contract support) environment.



Acquisition Visibility

Acquisition Visibility (AV) is defined as timely access to accurate, authoritative, and reliable information supporting acquisition oversight, accountability, and decision making throughout the Department for effective and efficient delivery of warfighter capabilities. AV brings transparency to critical information for supporting full lifecycle management of the Department's processes for delivering weapon systems and automated information systems. This goal fully supports the responsibilities, scope, and business transformation requirements of the Weapon System Lifecycle Management (WSLM) Core Business Mission.

AV Objectives:

- Address the full lifecycle of acquisition management, to include: requirements definition, technology development, production, deployment, sustainment, and disposal;



- Identify standard data requirements, authoritative data sources, relevant business rules, standard interfaces, and/or Enterprise-wide solutions;
- Provide accessibility, continuity and accountability of acquisition information required by managers and decision makers;
- Respond to new requirements for acquisition related business transformation capabilities; and
- Ensure compliance and consistency with BEA goals and objectives.

AV Benefits: Cost savings for consumables, manpower and support infrastructure. AV will enhance enterprise acquisition visibility to programs and status, provide the ability to share information that is accurate, relevant, and consistent, and reduce acquisition and management oversight workloads..

Common Supplier Engagement

Common Supplier Engagement (CSE) is the alignment and integration of the policies, processes, data, technology and people to provide a consistent experience for suppliers and DoD stakeholders to ensure reliable and accurate delivery of acceptable goods and services to support the warfighter. The primary goal of CSE is to simplify and standardize the methods that DoD uses to interact with commercial and government suppliers in the acquisition of catalog, stock, as well as made-to-order and engineer-to-order goods and services. CSE also provides the associated visibility of that related information to the warfighter and Business Mission Areas.



CSE Objectives:

- Streamline and reduce complexities of the process touch points between DoD and suppliers;
- Adopt standard business processes, rules, data, and interoperable systems across DoD;
- Transform internal IT interfaces through application of standard data;
- Be the authoritative source for commercial supplier data; commercial supplier representation/certification information; updating government buyer/supplier data; and commercial supplier subcontract reports;
- Provide a standard method of identifying business opportunities and distributing related information to commercial suppliers;
- Produce agreements with commercial and government suppliers (to include the phased implementation of the common financial data nomenclature);
- Provide a standard method for commercial suppliers to submit invoices and for the DoD to collect item unique identifiers; and
- Standardize methods for reporting commercial supplier agreement data to Congress and public.

CSE Benefits: Reliable and accurate delivery of acceptable goods and services to the Warfighter, reduced backlogs, and the elimination of redundant program-specific reporting systems. CSE provides improved supplier relationships through consistent data and processes between DoD



and its commercial and government suppliers, increased ability to meet socioeconomic goals through increased visibility of supplier activities, and increase operational efficiencies in contingency and garrison operations through standardized data, processes, and systems.



Materiel Visibility

The Materiel Visibility (MV) Business Enterprise Priority is defined as the ability to locate and account for materiel assets throughout their lifecycle and provide transaction visibility across logistics systems in support of the joint warfighting mission. MV will provide users with timely and accurate information on the location, movement, status, and identity of unit equipment, materiel and supplies, greatly improving overall supply chain performance. The MV BEP will improve the delivery of warfighting capability to the warfighter as measured in terms of responsiveness, reliability and flexibility.

MV Objectives:

- Uniquely identify tangible personal property items to improve the timely and seamless flow of materiel in support of deployed forces; improve asset visibility across the Department; and improve inventory management;
- Improve process efficiency of shipping, receiving, and inventory management by enabling hands-off processing of materiel transactions;
- Provide DoD with the capability to account for and report all materiel costs incurred to acquire and bring military equipment assets to a location suitable for its intended use;
- Ensure materiel hazards and associated risks are readily visible to the warfighter; and
- Transform the Department's supply chain information environment by 1) improving data integrity and visibility by defining, managing, and utilizing item, customer, and vendor master data; and 2) reducing complexity and minimizing variability on the supply chain business transactions by adopting standardized transaction and business rules.

MV Benefits: Timely and accurate information on the location, movement, status and identity of materiel and supplies for the Warfighter. MV provides item visibility regardless of platform or owner, achieve lower life-cycle cost of item management, increase Warfighter/customer confidence in the reliability of the DoD supply chain, reduce workforce burden through efficiencies, improve access to historical data for use during systems design throughout the life of an item, provide decision makers with accurate, timely, reliable information upon which to make investment decisions, provide for agency management reporting, and facilitate the preparation of financial statements and reports.

Real Property Accountability

Real Property Accountability (RPA) provides the warfighter and Business Mission Areas access to near real-time secure, accurate and reliable physical, legal, financial and environmental information on real property assets in which the Department of Defense has a legal interest. RPA goals enable warfighter and the business mission continuous access to information for



evaluation of real property. Other goals include facilitating management of lifecycle real property information by Installation Managers while supporting enterprise requirements such as financial reporting.

RPA Objectives:

- Increase access to more reliable and accurate real property information for both warfighter and business mission planning use;
- Enhance ability to link individual people and personal property to specific real property assets and their physical locations within business and tactical systems;
- Decrease operational cost and cycle times, enabled by increased consistency of data, reduced re-work and data calls;
- Improve accuracy and audit ability of financial statements;
- Reduce or eliminate duplicative data capture and access activities;
- Provide a single source for 24x7, secure and accurate location information available for transportation, warfighting logistics, and planning providing geospatial, technical and related real property data; and
- Include Environmental Liabilities Recognition, Valuation and Reporting Requirements (ELRV&RR) and processes, as well as Hazardous Materials Process Controls & Information Management (HMPC&IM) requirements into the BEA, linking the data from the former to the real property inventory, and the latter as a control to the material management process.



RPA Benefits: Increased access to more reliable and accurate real property information and decreased operational costs. RPA provides the capability to electronically manage the DoD real property portfolio, accurately identify and value environmental liabilities, directly supporting improved financial visibility and real property accountability, and make accurate location information available to the transportation, warfighting, logistics, and personnel communities.

Financial Visibility

Financial Visibility (FV) means having immediate access to accurate and reliable financial information (planning, programming, budgeting, accounting, and cost information) in support of financial accountability and efficient and effective decision making throughout the Department in support of the missions of the warfighter. At the highest level, the goal for Financial Visibility is more efficient and effective decision making throughout the Department and assistance in satisfying the DoD-wide effort to achieve financial audit ability.

Financial Visibility Objectives:

- Create transparent financial data throughout the enterprise;
- Establish authoritative financial data sources;
- Enhance and expand access to authoritative data sources for timely analysis (DoD Enterprise-level business intelligence);



- Enable the linkage for resources to business outcomes;
- Create and implementing common financial nomenclature across the DoD; and
- Eliminate existing financial management weaknesses and deficiencies.

FV Benefits: Standardized financial data and reporting processes that enable decision makers to reliably evaluate program options and resource constraints. FV reduces the cost of audit ability, consolidates disbursement and collection information into a single enterprise-wide system that provides standardized Treasury reporting, FV provides a standardized process for financial management activities associated with intergovernmental exchanges of goods and services.



Component Transformation Priorities

Each Component manages its own priorities to improve mission effectiveness and efficiency. Additionally, the Components support the BEPs by transforming their business practices and systems, and complying with business rules and standards identified in the BEPs.

Components have created and will maintain transition plans that present the transformation vision and goals for each Component and identify their own priorities. Just as with the BEPs, Component Transformation Plans document planning information on their priori-

ties. Components also identify supporting systems and initiatives and their respective alignment with either BEPs or Component priorities.

Each Component identifies non-transformational systems that will be part of the target environment, some of which will require IRB certification.

Army Executive Summary

The Army's primary mission is to provide necessary forces and capabilities to the Combatant Commanders in support of the National Security and Defense Strategies. The Army has more than 300,000 soldiers deployed or forward stationed to support operations in Iraq, Afghanistan, and other regions to deter aggression, while securing the homeland. The Army faces extremely demanding challenges as it strives to rapidly provide soldiers with improved capabilities.

The Army is fighting today while simultaneously preparing for tomorrow. To accomplish the mission, the Army is aggressively restructuring. The Army is transforming from a force designed for contingency operations in the post-Cold War era, to a force designed for continuous operations in a new threat era. Transformation of the Army's Business Capabilities / Enablers / Processes will enable its ability to be more flexible, more rapidly deployable and better sustainable to protracted military campaigns, to include joint and expeditionary operations, required by the 21st century security environment.

The Army will employ Lean Six Sigma and other industry best practices successfully used by the world's best corporations to provide better value to increasing responsiveness and decreasing cycle time in all processes and activities. The Army is deploying these same techniques to better identify functions that are no longer relevant, eliminate non-value added operations and positions, and focus resources on required capabilities. This is a transformational process that will be led from the highest levels of the Army.

By the end of this program period, the Army will have the infrastructure established to train its entire workforce for their appropriate role. The Army will take advantage of industry innovation



through web-based services and technology, commercial off-the-shelf (COTS) products, outsourcing and partnering. The Army is also adopting electronic business operations and a portfolio management approach to information technology capabilities and investments, while continuing to follow and model U.S. Government guidelines for competitive sourcing. These reform initiatives will remain congruent with other Department of Defense transformation initiatives.

The Army's business transformation goals are derived from the four key elements of the Transformation Strategy. These business transformation goals are also components of the annual Army Campaign Plan (ACP) and the Army Posture Statement (APS).

The Army's goals:

- Manning, readiness, and well-being of the force;
- Improving business practices and processes: paying the force and financial accountability;
- Establishing process to equip the force;
- Sustaining the force: enhance joint and focused logistics; and
- Improving capability for stability operations.

Navy Executive Summary

The Department of the Navy's business transformation vision is to significantly increase the readiness, effectiveness, and availability of warfighting forces by employing business process change to create more effective operations at reduced costs and by exploiting process improvements, technology enhancements, and an effective human capital strategy to assure continued mission superiority.

The Department's business improvement objectives are designed to enable achievement of the Naval Power 21 vision and facilitate Sea Power 21 and Marine Corps Strategy 21 implementation: Developing and maintaining a secure, seamless, interoperable IM/IT infrastructure; Creating optimized processes and integrated systems; Optimizing investments for mission accomplishment; Transforming applications and data into web-based capabilities to improve effectiveness and gain efficiencies; and Aligning Business Mission Area governance to produce a single, integrated enterprise.

Looking to the future, naval forces will be more widely dispersed than in the past, yet by leveraging technology and innovation they will be fully netted and capable of simultaneous sea control, strike, forcible entry, special operations, sea-based missile defense, strategic deterrence, and maritime interdictions. This broader, more complex mission, coupled with constrained resources, requires the Navy to operate with a smaller number of Sailors and Marines that are better trained and more motivated than ever before. By becoming a more effective and efficient enterprise and implementing innovative business initiatives, the Navy will free resources for reinvestment in improved warfighting capabilities.

The Navy's goals:

- Creating a Seamless Infrastructure
- Creating Optimized Processes and Integrated Systems
- Resource Optimization
- Implementing Web-based Capabilities
- Aligning for Enterprise Transformation



Air Force Executive Summary

The overall mission of the Air Force (AF) is to develop and use air and space power to defend the United States and protect our national interests. The AF organizes, trains, and equips force elements that fly, operate on the ground, and traverse space in order to influence enemy and friendly activities. The concept of expeditionary forces, the long reach of satellites and systems of sensors, a network of airborne and ground-based command and control elements, and mobility, fighter, bomber and attack aircraft integrate to make the vision of Global Vigilance, Reach, and Power a reality.

Business and combat support processes are expected to provide fast, flexible, predictable support to the warfighter. The AF Operational Support transformation vision is the creation of capabilities that provide rapid and predictive Operational Support and response through situational aware Commanders.

The Air Force's Goals:

- Ensure seamless integration of Air Force command and control, combat support and Business Capabilities;
- Guide, rationalize, coordinate and integrate existing and future Air Force-wide transformation initiatives into a coherent program;
- Ensure that consistent methods are employed across the warfighting and support areas;
- Improve warfighter effectiveness by fashioning fast, flexible, agile, horizontally integrated Operational Support processes that enable fast, flexible, agile and lethal combat forces; and
- Achieve increased efficiencies that will allow Operational Support to return resources toward the recapitalization of the AF weapons systems and infrastructure, return Airmen to core missions, and increase the job satisfaction of the workforce.

DLA Executive Summary

The Defense Logistic Agency's (DLA's) vision for the future is to dramatically improve warfighter support at a reduced cost through business process reengineering, workforce development, technology transformation, and organizational change.

The DLA Goals:

Retire the legacy business model and organizational structures and transform to become:

- A robust customer-focused agency with world-class military service and warfighter partnering capabilities;
- A manager and integrator of the supply chains essential to the military readiness with world-class commercial supplier partnering capabilities; and
- A single, fully integrated enterprise.

Great care has been taken to ensure DLA's transformation is aligned with the direction and initiatives outlined in DoD's Transformation Planning Guidance, Joint Vision 2020, the DoD Future Logistics Enterprise, and the DoD Business Enterprise Architecture. Further,



DLA's initiatives support future requirements of the warfighter by directly linking to the seven challenge areas and supporting logistics capabilities outlined in the Focused Logistics Joint Functional Concept document.

This transformation will fundamentally alter DLA's core business model, supporting processes, and systems architecture. At the core business model level, customer focus, supply chain management, and seamless partnering constitute transformation. A key contribution to this end state is organizational alignment. The agency has taken the strategic steps required to establish a single, tightly integrated organizational structure where DLA is, and is perceived to be, one enterprise.

USTRANSCOM Executive Summary

USTRANSCOM is the Combatant Command (COCOM) responsible for creating and implementing world-class global deployment and distribution solutions in support of the National Security Strategy. To accomplish this, USTRANSCOM's transformational vision is to change its orientation from a command that provides strategic transportation, to a command that develops and employs End-to-End (E2E) global transportation of forces and materiel distribution solutions to improve joint distribution capabilities for regional Combatant Commands and functional Component warfighters.

The USTRANSCOM Goals:

- Support the operational effectiveness of Combatant Commands by deploying command and control capability for unified theater deployment and distribution and by providing E2E Total Asset Visibility (TAV) and In Transit Visibility (ITV);
- Improve decision cycle time by providing IT support that turns real-time data into actionable information;
- Promote across the Department of Defense (DoD), financial management processes and solutions that are Chief Financial Officer (CFO) Act compliant and improve financial management visibility; and
- Operational flexibility in E2E, intermodal distribution through improved and standardized resources, processes, and systems.

The focus of USTRANSCOM transformation IT efforts is on developing a seamless process that will provide better visibility of supplies from their point of production to their ultimate destination of the warfighters in the field. USTRANSCOM is continuing to work with its national partners (Office of the Secretary of Defense organizations, Joint Staff, Combatant Commands, Services, Defense Agencies, and other affected organizations) on priorities that support the above transformation goals.

DFAS Executive Summary

The transformation vision of the Defense Finance and Accounting Service (DFAS) is to better enable the warfighter through excellence in finance and accounting operations—where excellence is achieved by pledging dependable, accurate and reliable service at the lowest cost.

The DFAS transformation strategy is aligned with the DoD's transformation goals and objectives and with the President's Management Agenda. DFAS is transforming the finance and



accounting business—modernizing and improving financial management, reducing personnel and operating costs while providing agile responses to the dynamic DoD environment, such as delivering military pay entitlement required by the Global War on Terror.

The DFAS transformation strategy leverages and integrates competitive sourcing initiatives, Base Realignment and Closure opportunities to reduce excess capacity, performance-based management through the National Security Personnel System, and state-of-the-art technology. The ultimate objective of the organization is to optimize performance and maintain the downward pressure on cost.

The DFAS Goals:

- Deliver error-free pay services on time;
- Provide business intelligence that supports better operational resource allocation and decision making;
- Establish and maintain a partnership with our customers to anticipate needs and deploy integrated solutions that enhance financial management capabilities across the DoD Enterprise; and,
- Attract, develop and retain a first-rate work force with the skills, agility and motivation necessary to achieve the DFAS mission. DFAS people will ultimately determine the agency's success and our ability to serve the men and women who defend America.

Delivering Measurable Results

For the Department, results will be measured through a series of major and minor milestones—each one contributing to a more advanced and capable business operation.

This transformation is already underway. Through ongoing transformation efforts, the Department has developed a clear understanding of its expansive business systems environment and has identified where opportunities reside to leverage existing IT assets. Mechanisms have been established to align cross-organizational interdependencies across CBMs to deliver improved capabilities to the warfighting community. Data standards are being implemented to achieve the requisite interoperability of business and financial information. A process for centralized control over IT investments for business systems modernization has been established. And, Business Enterprise Priorities have been identified within each of the CBMs and are being implemented throughout DoD.

Although the Department will identify system terminations, success will not be determined by how many systems are reduced. Systems reductions are merely a by-product of successful business transformation. Rather, the true measure of DoD's business transformation efforts will be whether our military personnel are paid consistently and accurately, cycle times in our supply chain are reduced, the right materiel is delivered on time to the battlefield, and key DoD decision makers are provided with visibility of all assets, materiel, and personnel to make better decisions. These types of measures will improve reliability and confidence in DoD's business processes to support customers (warfighters) and enhance the "return on investment" for shareholders (taxpayers).

For more information, visit www.dod.mil/bmmp or e-mail askbmmp@dfas.mil



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